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INFO RUCPDOC/DEPT OF COMMERCE WASHDC 1892  
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UNCLAS SEOUL 001693

SIPDIS

E.O. 12958: N/A

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SUBJECT: BLUE LANTERN: VERIFYING BONA FIDES OF REGISTERED BROKER  
CHAE-YOUNG PARK - CASE NO. K-0697

REF: A) STATE 99528

¶1. (U) Per reftel, Post verified the bona fides of registered broker  
Park Chae-young, President of Kyung Hee Trading.

¶2. (U) Park and the Defense Acquisition Procurement Administration  
(DAPA) confirmed to Post that the company is a DAPA-registered  
supplier of defense articles such as heating ventilation air  
conditioner, switchboard parts and inertial measurement units.

Kyung Hee Trading was founded in 1986 dealing with general trading  
services. Its major business activity is serving as a sales agent  
for U.S. exporters to Korea of defense items and business promotion  
on behalf of these U.S. companies. It is located at 808-B, HongWoo  
Building, 43-3, Yoido-dong, Youngdeungpo-Gu, Seoul, 150-889, Korea.

¶3. (U) The company said it does not have a secured storage facility  
for USML items because it only serves as a broker on behalf of U.S.  
exporters of these items. All imported USML items are directly  
delivered to Korean clients who maintain secured storage facilities.

¶4. (U) Kyung Hee Trading has eight employees. Park Chae-young, the  
president, spent twenty years in the Republic of Korea's (ROK) Navy.

The company's other main principals are Kim Song-tuk, senior  
consultant and retired vice admiral with thirty years in the ROK  
Navy. Prior to joining Kyung Hee Trading, Kim served as ROK  
Ambassador to the United Arab Emirates. Kim Il-kyu, vice president,  
graduated from the ROK Naval Academy, retired from the ROK Navy as a  
captain in 1993, and joined the company in 2003. Noh Hyun-suk,  
executive director, worked for Hanjin Heavy Industries, the largest  
ROK-based shipbuilder, for approximately ten years before joining  
Kung Hee Trading. Finally, before joining Kyung Hee Trading as  
Marketing and Sales director in 1996, Yeom Kwang-yeol is a retired  
ROK Navy Lieutenant Commander.

¶5. (U) Kyung Hee Trading's main clients include: DAPA; Hyundai  
Heavy Industries located in Ulsan, South Korea; Daewoo Shipbuilding  
and Marine Engineering, the second largest Korean shipbuilder  
situated in Geoje city, South Korea; Hanjin Heavy Industries located  
in Busan, South Korea; LIG Nex1 located in Seoul, South Korea; HI  
Air Korea located in Gimhae, South Gyeongsang Province; and Daeyang  
Electric situated in Busan, South Korea.

¶6. (U) Park informed Post that Kyung Hee Trading has been a  
registered broker with the PM/DTCC since 2003. The company is now  
in the process of renewing its registration as requested by the  
PM/DTCC and will submit the required documents for renewal by  
October 30, 2009. Park said the company is fully aware of the  
importance of the restrictions of USML sensitive items and the  
prohibitions of retransfers or re-exports of such items and  
technology. ICE Attache has also verified that the company has  
neither criminal record nor derogatory information.

¶7. (U) This investigation was conducted via telephone and email. A

site visit was not possible due to resource constraints. Additional documentation will be sent separately by email.

STEPHENS